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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY SACRAMENTO

FAIR POLITICAL PRACTICES COMMISSION,)	Case No. 02AS04858
a state agency,)	
)	FPPC No.: 02/020
Plaintiff,)	
)	STIPULATION FOR ENTRY OF
v.)	JUDGMENT
)	
REPUBLIC NATIONAL COMMITTEE-)	(IN FAVOR OF PLAINTIFF
CALIFORNIA ACCOUNT AND JAY BANNING.)	AGAINST DEFENDANTS)
)	
Defendants.)	
)	
)	

Plaintiff Fair Political Practices Commission, a state agency, by its attorneys, and Defendants Republican National Committee-California Account and Jay Banning, by their attorneys, enter into this stipulation to resolve all factual and legal issues pertaining to the complaint for civil penalties filed herewith.

It is stipulated by and between the parties as follows:

The complaint on file in this action was properly filed and served on Defendants Republican National Committee-California Account and Jay Banning.

Jurisdiction of the subject matter and of the parties to this action and venue are properly in Sacramento Superior Court. The complaint states one cause of action against Defendants Republican

1 National Committee-California Account and Jay Banning, and any defects in the complaint are
2 expressly waived.

3 The Court will enter judgment in this action, pursuant to the stipulation, on request of Plaintiff
4 Fair Political Practices Commission without notice to Defendants Republican National Committee-
5 California Account and Jay Banning.

6 Plaintiff Fair Political Practices Commission and Defendants Republican National Committee-
7 California Account and Jay Banning agree to enter into this stipulation to resolve all factual and legal
8 issues raised in this matter, and to reach a final disposition with respect to Defendants, without the
9 necessity of holding a civil trial to determine their liability.

10 Defendants Republican National Committee-California Account and Jay Banning understand,
11 and hereby knowingly and voluntarily waive, any and all procedural rights that they could have
12 exercised if this stipulation had not been entered into, including, but not limited to, their right to civil
13 discovery, to appear personally at any civil trial held in this matter, to confront and cross-examine
14 witnesses, and to have the trial presided over by an impartial judge, and heard and decided by a jury.

15
16 **ENTRY OF JUDGMENT**

17 For the violation of the Political Reform Act admitted herein, Plaintiff Fair Political Practices
18 Commission and Defendants Republican National Committee-California Account and Jay Banning
19 stipulate that a final judgment be issued and entered in the form of the order attached hereto and made a
20 part hereof as Exhibit "A," against Defendants Republican National Committee-California Account and
21 Jay Banning, and in favor of Plaintiff Fair Political Practices Commission, for a monetary penalty of
22 Fifty Thousand Dollars (\$50,000). Payment of this amount shall be made by cashier's check, payable to
23 the "General Fund of the State of California," upon the execution of this stipulation.

24 The final judgment may be signed by any judge of the Superior Court of the State of California,
25 for the County of Sacramento, and entered by any clerk upon application of any party without notice.

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Plaintiff Fair Political Practices Commission (the “Commission”) is a state agency created by the Political Reform Act of 1974 (the “Act”). (Gov. Code §§ 81000 - 91014.) The Commission has primary responsibility for the impartial, effective administration and implementation of the Act. (Gov. Code § 83111.) Pursuant to Government Code section 91001, subdivision (b), the Commission is the civil prosecutor for matters involving state election campaigns, and is authorized to maintain this action under Government Code sections 91001, subdivision (b), 91004, 91005 and 91005.5.

2. SUMMARY OF THE CAMPAIGN REPORTING LAWS

An express purpose of the Act, as set forth in Government Code section 81002, subdivision (a), is to ensure that the contributions and expenditures affecting election campaigns are fully and truthfully disclosed to the public, so that voters may be better informed, and so that improper practices will be inhibited. In furtherance of this purpose of disclosure, the Act sets forth a comprehensive campaign reporting system. (Gov. Code § 84200 et seq.)

One feature of this system is Government Code section 84203, subdivision (a). That statute requires a committee that makes a late contribution, to file a late contribution report within 24 hours of making the contribution. Government Code section 82036 defines a “late contribution” as a contribution aggregating \$1,000 or more that is received before an election, but after the closing date of the last pre-election statement. Government Code section 82015, subdivision (a), defines a “contribution,” in pertinent part, as a payment except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. Pursuant to Government Code sections 84200.7 and 84200.8, the late contribution reporting period is the last 16 days before an election.

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1 3. CIVIL LIABILITY PROVISIONS

2 Under Government Code section 91004, any person who intentionally or negligently violates any
3 of the reporting requirements of the Act shall be liable in a civil action in an amount up to the amount
4 not properly reported. Persons that violate Government Code section 84203 are liable in a civil action
5 pursuant to Government Code section 91004.

6 Pursuant to Government Code sections 81004, subdivision (b) and section 84100, and California
7 Code of Regulations, title 2, section 18427, subdivision (c), it is the duty of a committee's treasurer to
8 ensure that the committee complies with all of the requirements of the Act concerning the receipt and
9 expenditure of funds, and the reporting of such funds. A committee's treasurer may be held jointly and
10 severally liable, along with the committee, for any reporting violations committed by the committee.
11 (Gov. Code §§ 83116.5, 91006.)

12 4. SUMMARY OF THE FACTS

13 As a recipient committee, Defendant Republican National Committee-California Account and its
14 treasure, Defendant Jay Banning, had a duty to comply with the campaign reporting provisions of the
15 Act, including the duty to file late contribution reports as required by Government Code section 84203,
16 subdivision (a). In this matter, the late contribution reporting period for the November 7, 2000 general
17 election was October 22, 2000 through November 6, 2000.

18 On November 1, 2000, Defendants made four late contributions totaling \$200,000 to four state
19 legislative candidates running for office in the November 7, 2000 general election. The amount of each
20 late contribution was \$50,000. The four state legislative candidates who received the late contributions
21 were as follows: (1) Bob Margett, candidate for the 29th Senatorial District; (2) Richard Rainey,
22 candidate for the 7th Senatorial District; (3) Rudy Svorinich, candidate for the 27th Assembly District;
23 and (4) Craig Missakian, candidate for the 43rd Assembly District.

24 After making the four late contributions, Defendants had a duty to file a late contribution report
25 no later than November 2, 2000, disclosing the late contributions. Defendants did not file a late
26 contribution report by the November 2, 2000 due date. By failing to file a late contribution report by
27 November 2, 2000, Defendants violated Government Code section 84203, subdivision (a).
28

CONCLUSION

Judgment shall be entered against Defendants Republican National Committee-California Account and Jay Banning, and in favor of Plaintiff Fair Political Practices Commission, in the amount of Fifty Thousand Dollars (\$50,000).

IT IS SO STIPULATED:

Dated: 8/1/02

J. C. Banning
Jay Banning, individually and on behalf of the Republican National Committee-California Account, Defendants

Dated: 8/2/02

Vigo C. Nielsen, Jr.
Vigo C. Nielsen, Jr., Nielsen, Merksamer, Parrinello, Mueller & Naylor, Attorneys for Defendants

Dated: 8/14/02

Fair Political Practices Commission, Plaintiff
By: Mark Krause
Mark Krause, Executive Director

Dated: 8/12/02

Julia Bilaver
Julia Bilaver, Attorney for Plaintiff Fair Political Practices Commission